COMMONWEALTH OF KENTUCKY

BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF WESTERN KENTUCKY GAS

COMPANY, A DIVISION OF ENERGAS COMPANY,

OWENSBORO, KENTUCKY FOR A CERTIFICATE

OF PUBLIC CONVENIENCE AND NECESSITY

AUTHORIZING IT TO BID ON FRANCHISE

ESTABLISHED AND TO BE OFFERED FOR SALE

BY THE CITY OF MADISONVILLE, HOPKINS

COUNTY, KENTUCKY

ORDER

On May 17, 1988, Western Kentucky Gas Company ("Western") filed with the Commission its application seeking a certificate of convenience and necessity to qualify it to bid on a gas franchise in the City of Madisonville, Kentucky. Under the provisions of KRS 278.020(3), no utility may apply for a franchise from any governmental agency until it has obtained a certificate of convenience and necessity from this Commission based on our finding that there is a need and demand for the services sought to be rendered.

The Commission finds that there is a need and demand for gas service in the above mentioned city. Since the Commission's authority in such matters is limited by statute to finding only whether there is a need and demand for the service sought to be rendered, no finding or determination is made as to the validity of any of the provisions of the franchise offered by said city or the manner in which any franchise fee is to be treated for rate purposes.

IT IS THEREFORE ORDERED that:

- 1. Western be and it hereby is granted a certificate of convenience and necessity which authorizes it to bid on a gas franchise in the above mentioned city.
- 2. Western, if it becomes the successful bidder, shall file with this Commission 2 copies of the said franchise.
- 3. This Order shall not be construed as granting a certificate of convenience and necessity to construct utility facilities in the said city.

Done at Frankfort, Kentucky, this 20th day of May, 1988.

PUBLIC SERVICE COMMISSION

Vice Chairman Vice Chairman Chairman Vice Ch

ATTEST:

Executive Director